



Sihangwane crafters in action as their craft currently in Brazil

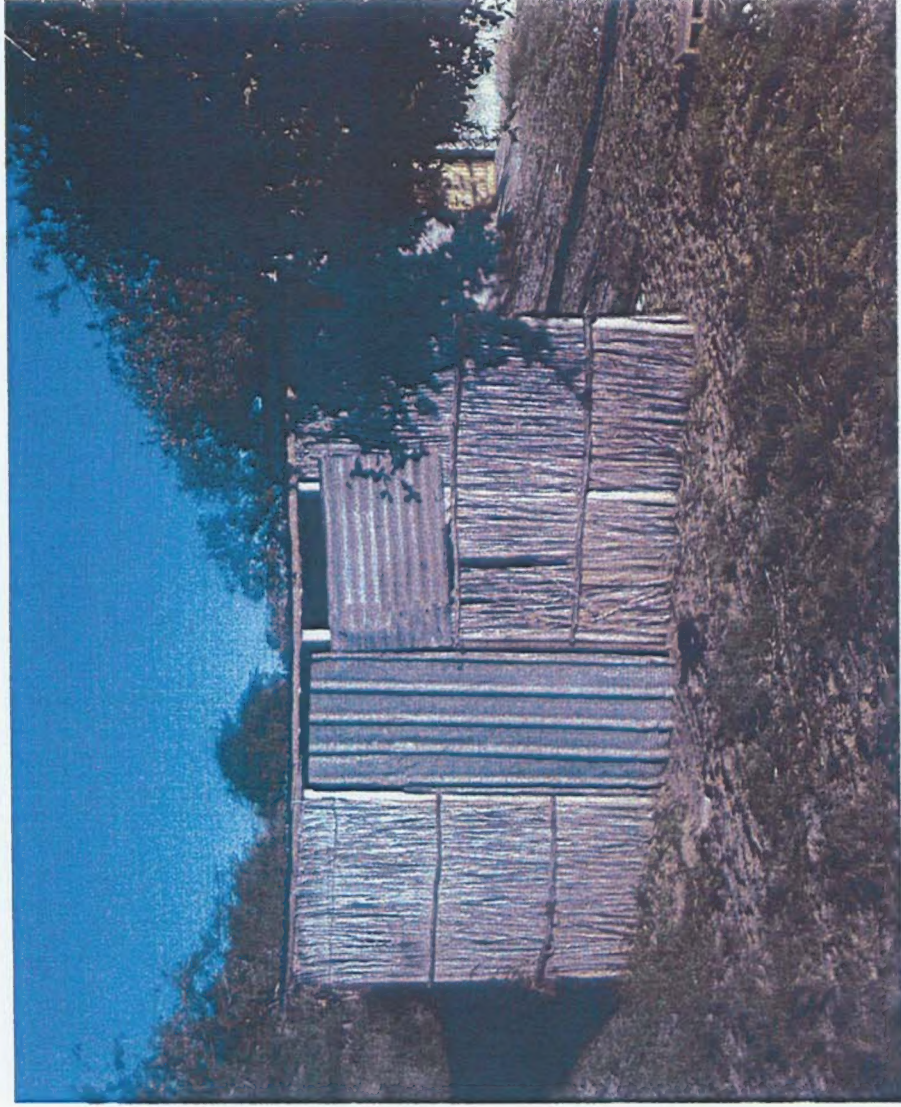
As Umhlabyalingana municipality we have assisted our crafters to attend and participate on national and international exhibition.

- Last year (2007) Mr Vusi Gumede of ward 7 from Etshowe representing all crafters from Umhlabyalingana was sent to India International Exhibition.
- This year 2008 Mr Enock Mabika of ward 13, Mrs B. Gina of ward 5 and Mr Jerome Gumede of ward 5 representing crafters from Umhlabyalingana they have attended an annual national craft event known as One Of a Kind Event in Midrand selling their craft work.
- Currently Umhlabyalingana art has been nominated as the finalist in provincial selection and Umhlabyalingana crafters selected to attend an international exhibition in Brazil.

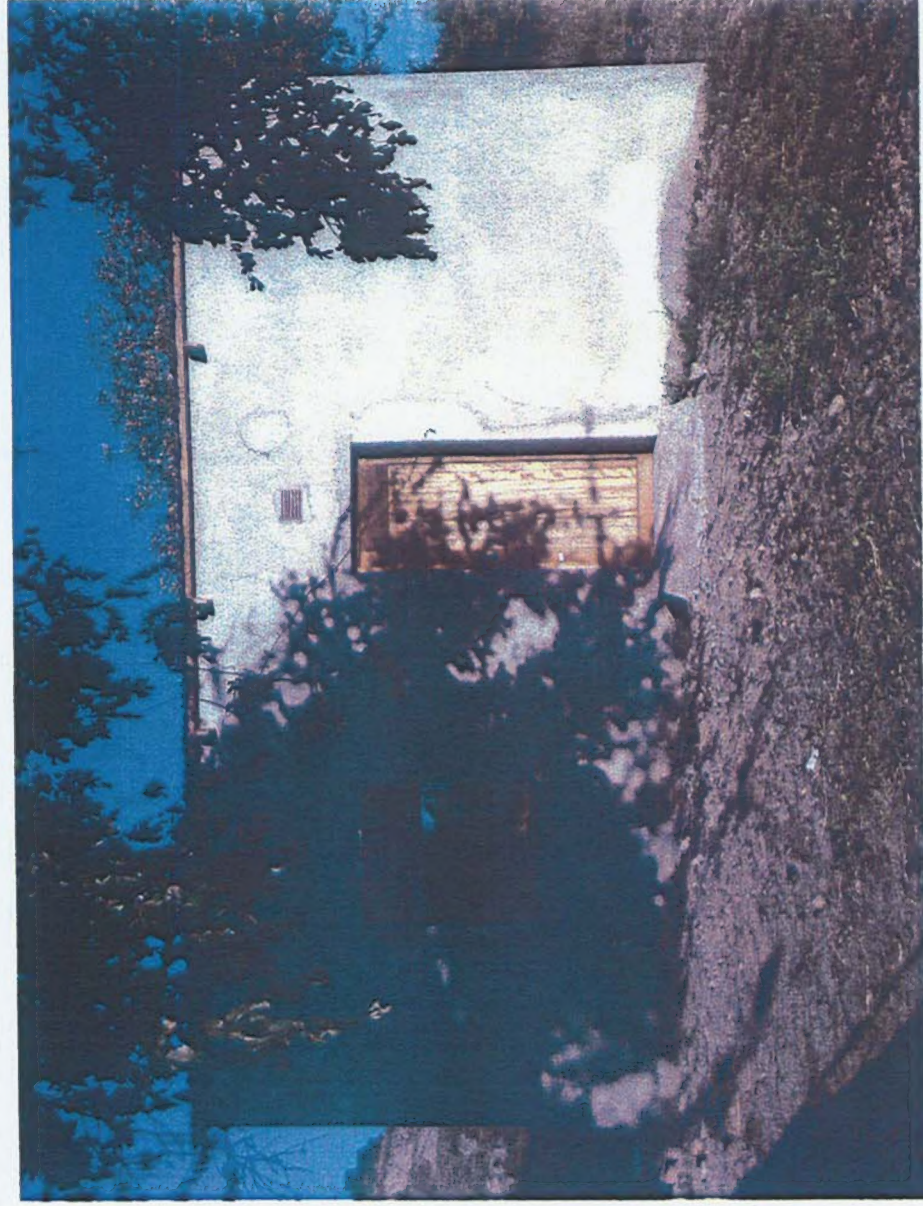
- Mr Enock Gumede of ward 13 has been employed by Department of Art, Culture and Tourism for the training of prisoners in craft skills.
- Umhlabyalingana Local Municipality has made a tremendous support by building a house for disabled crafters in ward 5 at Mseleni. As shown on pictures.



Mrs Sokhele and Mr. Mabika one of the best crafters on visual art.



Group of Disabled People of Mseleni were using this house to do their craftwork before the municipality assisted them with shelter in Ward 5



**New House for the Disabled People at ward 5 for Craft Project built by
Umhlabayalingana LED Department**



Mseleni Disabled Project before municipality assisted them (Ward 5)



**New Mseleni Poultry Project for the Disabled at Ward 5 built by
Umhlabyalingana LED Department**



**Sicabazini Craft Work Launch / dining room suit packed
at their storeroom in Ward 8**



Selection of craft to Brazil exhibition



The finalist on Brazil craft selection (from left is Mavis of Scabazini craft and Ms Zikhali from Mbazwana crafts.



Local exhibition took place at Ndondweni where lot of arts work was discovered

To implement the programme, a gendered balanced local and district forums were established, comprising 6 members selected from 26 groups of Umhlabyalingana comprising 6 people, 3male, 3 female, 1 person with disabilities and the following are the people that were selected, namely:

NO	NAME AND SURNAME	WARD	GENDER	CATIGORY
1	Mrs B Bukhosini	5	Female	Moral Regeneration
2	Mr. J Gumede	5	Male	Disabled
3	Mr. E Mabika	7	Male	Visual art
4	Mrs R Sibiya	5	Male	Drama
5	Ms B Biyela	8	Female	Craft
6	Ms L. Shange	1	Female	Gospel



The municipality is encouraging the local communities to utilize the natural resources (Ilala)

UMHLABUYALINGANA SMME DEVELOPMENT PROGRAMME

SMMEs is another key performance area of the LED Department this also includes Co operatives Development, on this sector as an LED we have a number of intervention in assisting local Small Business and Co operatives like:

1. Training local entrepreneurs on business skills
2. Sourced funding for business plans in all business sectors
3. Taking local entrepreneurs to provincial business
4. Assist local small businesses to register the businesses in provincial data base.

On the SMMEs programme on our last financial year we trained 132 on Business skills and registered 16 co cooperativeness and we have successfully linked others with small business support centre like Umsobomvu, CEDA and Umhlosinga development agency.

The following are some of the SMME LED projects that have been initiated at Umhlabuyalingana



Sicabazini Catering Group operating after they have received training



Mafa Cattle project beneficiaries after graduating on farm management training funded by Oxfam through MDIC and the training was conducted by Zakhe Training in Ward 7



Mabaso Community Market to Support SMMEs with Infrastructure in Ward 3



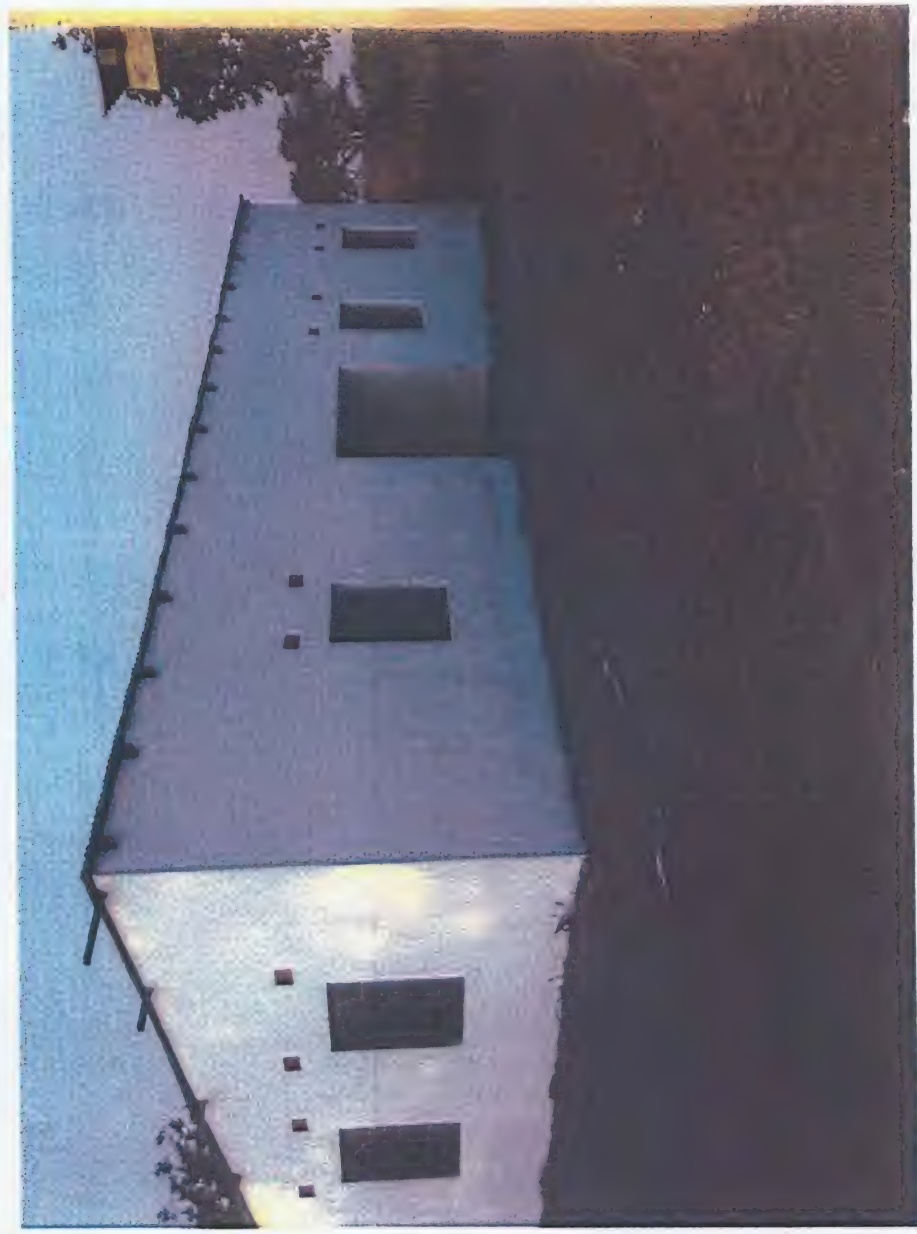
Councillors and Officials at Mabaso Community Market Ward 3



LED Project MTN Container with Public Phones for the Disabled People at Mbazwana



Zamazama Sewig Club of ward 6, standing at the door with enthusiasm.



Sicabazini Sewing Project of Ward 8 when still under construction



**Marula Jam Project Members of the Project showing
how to change marulas to jam in Ward 6**



**A member of Marula Jam Project at SMME Development Summit in
Richardsbay**



An under utilized Engozini Market Stalls at ward 10

FUNDING OUT SOURCED FOR LED COMMUNITY PROJECTS BY UMHLABUYALINGANA LED DEPARTMENT

One of the challenging duties for our LED department is to compile the business proposal for out sourcing funds for community based LED projects. In 2007/2008 financial years our department has managed to out sourced an amount of R3 million for LED initiatives either for actual implementation or the packaging of projects (feasibility studies & business plans). Some of the funds that have been out sourced were directly deposited to the account of the beneficiaries and the role of the municipality is to monitor the progress. And to other applications the funding was deposited to the account of the municipality and the role of the municipality is to implement those projects and give a report to the funder. The table below shows the name of the

projects, the organization funded the project and amount and lastly is whether the funding was given to the municipality or beneficiaries.

Project Name	Funder	Amount	Implementing Agent	Location
Madonela Commercial Agricultural Project	Department of Economic Development (DED)		Municipality	Ward 13
Mgodi Wemvubu Agricultural Project	Department of Agriculture		Department	Ward 9
Kwa Tembe Concrete Stone Project	DLGTA	180 000.00	Municipality	Ward 6
Nhlangeni lake Restaurant	DLGTA	180 000.00	Municipality	Ward 10
Manzengwenya Tourism Project	DLGTA	180 000.00	Municipality	Ward 5
Engozini Road	Project Consolidate	2.7 million	Municipality	Ward 10
Khiphimbazo Water project	Project Consolidate		Municipality	Ward 7
Rehabilitation of Manguzi Town Roads	DLGTA	3.2 million	Municipality	Ward 1
Essential Oils Project	CSIR		Beneficiary	Ward 11



**Manzengwenya Community Tourism Project Consultants
on site, with LED Official and project beneficiaries
sharing the experience of Sibaya Lake in Ward 5**

THE TECHNICAL DEPARTMENT REPORT 2007 / 08

Introduction And Purpose

The purpose of this report is to highlight the progress to date on the infrastructure projects on 2007 /08 financial year being funded by MIG and project consolidate.

There has been many interesting development in the municipality this year, and one of the major developments was the establishment of the Technical Department and employment of the technical Director Miss Ndovela. The department remains the smallest department within the municipality with only 4 people including the Director but it has the biggest heart in that it operates on a budget that exceeds R15 million and is accountable 2 portfolio committees the land and planning portfolio committee and the infrastructure committee.

The director believes that the stability of the department will be evident at the end of the next financial year, because although this department was not operational some of its functions such as the provision of infrastructure were applicable, this resulted in a huge technical backlog and technical defects there , the backlog is huge in terms of expected expenditures, however the good news is , Umhlabyalingana will be seen implementing major long term benefiting projects such as the roads, the township establishment, the community halls, the traffic department, the council chamber the extension of the offices including sale of land

Project Consolidate

1. Khiphimbazo phase 1 water scheme for a amount of R3,0 million. This project was successfully completed in 2007 /08 and 2944 households benefited in ward 5. The project was done by Terattest incorporated as project managers and Northern Natal as contractors.
2. Engozini Gravel Road for an amount of R2 795 million.

The project was successfully completed in 2007 / 08 and 2970 households benefited. The project was done by Idwala Project Managers and Jumbo construction.

MIG Projects

In 2007 / 2008 financial year the MIG allocation was for the council Chamber, which is still I progress.

The following projects are in the implementation stage, some in the design stage and some in the tender stage

1. The council chamber and extension of offices (construction expected to commence January 2009, very very early around the 2nd and or the 3rd of January 2009)
2. The traffic department (construction expected to commence January 2009 , very , very , early around the 2nd and or the 3rd of January 2009.)
3. The Mbazwana roads (construction expected to commence January 2009, very, very, early around the 2nd and or the 3rd of January 2009.
4. The Manguzi roads (construction expected to commence January 2009, very, very early around the 2nd and or the 3rd of January 2009)
5. The Khiphimbazo phase 2 water project, will be completed before Christmas.

The department is currently busy with the development of the business plan for the projects that will be implemented as early as April 2009,

- The Masibambisane community market ward 10
- Mhlakwe community hall ward 3
- Mphakathini community hall ward 7
- Rehabilitation of part of Njini road (2km) ward 5
- Bhekabantu community hall ward 9
- Road from Thandizwe to Pikinini Nyamazane ward 12

All these projects are big projects that amounts to R13 million, say at 2 million per project

PROMOTIONS ! PROMOTIONS ! PROMOTIONS ! Nokuphila has just been promoted as the IDP / PMU manager, we say well done Mrs Mthembu ! (PMU.... Project management unit)

**THE TECHNICAL DEPARTMENTS MOTTO “MAN’S INTEGRITY IS MEASURED ON
MAN’S ABILITY TO RISE UP AFTER A FALL, GREATMEN AND WOMEN DO NOT
COMPROMISE INTEGRITY BECAUSE THEY ARE NOT AFRAID TO FALL YET ONCE
AGAIN “**

REPORT BY THE MUNICIPAL MANAGER

ANNUAL PERFORMANCE ASSESSMENT

1. INTRODUCTION

Performance Management System is not only a measurement tool but a management tool, to improve performance in the organization. Performance is not improved by awarding bonuses to good performers and penalising the others, but by continuously monitoring progress throughout the year.

The time has come for us to conduct the annual assessment as a collection and assessment of all the work done during the year.

2. STRATEGIC INTENT

At the beginning of the year, we set out to look at a long-term vision of the Municipality through Vision 2020. Under each key performance area long term objectives have been set, which emanated to the current year outputs linked to the long-term objectives.

It is critical for us to understand that for all targets met during the period under review we are a step closer to delivering on our long-term objectives and visor-verso.

3. CHALLENGES

Like in any other battle, we face different challenges in our battle to break the chains of poverty. Central to the challenges is what is considered to be the crux of economics, having limited means to fulfil unlimited needs.

3.1. Financial

The Municipality has no revenue based and relies fully on government grants, mainly the equitable share, for survival. Unfortunately when the Municipality was demarcated it was left with an area with little chance in the foreseeable future to ever have own generated revenue.

To add to these problems, the National Treasury reduced the equitable share allocations for the 2007/08 financial year by R 5 million, whilst at the same time councillor salaries had been increased by approximately R 5 million. This set back the available resources by almost R 10 million.

The implications of this manifested in a most hideous manner through cash flow problems in the Municipality. For the best part of the second quarter, we had to halt some programs as a result of financial constraints. It shall also be noted that the Cash Flow projections were done, but the change of the government transfers; from four to three instalments a year deepened the crisis.

Even though we faced these problems the storm is now over. The biggest challenge going forward is to implement stringent and prudent financial management controls to avoid ever going through the same cycle again.

3.2. Human Capacity Constrains

Staff turnover and vacancy of key positions has been highly crippling the progress towards achieving the set objectives. The high vacancy rate can be classified into three sections;

- Leaving of key technicians/specialist
- Vacancy of Senior Posts including ONE Head of Departments
- Vacancy of technical posts within the Technical department

This vacancy rate directly impacts on the ability of the management team to effectively perform their duties. This however is a dilemma since the Municipality is also faced with some serious financial limitations.

We therefore have a task of seriously reviewing our approach in terms of service delivery mechanisms. Wherever specific functions can be

performed externally in a more efficient manner, it should be highly considered to improve performance

DEPARTMENTAL VACANCY SCHEDULES

DEPARTMENT	TOTAL POSTS	VACANT POSTS	VACANCY RATE	COMMENTS
Office of the MM	4	1	25%	
Financial Services	11	6	55%	The senior accountant is leaving end of February
Corporate Services	15	2	13%	The HOD has just been appointed beginning of March
Community Services	16	5	31%	The Department has no Technicians/specialists in place
LED Services	7	3	43%	Tourism & Enterprise Development Off left during the year and is crucial
Technical Services	9	6	70%	The Department has no Head of Department and Technicians in place

3.3. Performance Management Systems

Emanating from some of the issues raised above we have not implemented the Performance Management as promptly as we ought to. We however have covered a lot of ground, putting ourselves ahead of most municipalities with the same grading as ours.

We have been able to do the following;

- Develop PMS policy framework
- Develop a policy framework for cascading down PMS
- Develop an organizational scorecard
- Develop scorecards for all Head of Departments,
- Establishment of the Performance Assessment Committee

Another challenge was the sitting of the Performance Assessment Committee. The dates were regularly postponed and it was difficult to find proper dates for different members. This may be countered during the next financial year by having an annual schedule of meetings that shall be adhered to.

We have however not been able to meet some of the expectations we have put for ourselves;

- Conduct the 1st quarterly review
- Conduct the 2nd quarterly review and
- Conduct the 3rd quarterly review

The biggest failure that we have to acknowledge however is our failure to put the PMS at the centre of our day-to-day running of the Municipality. It is my belief that if we could embrace it and diligently use it to guide our meetings from the Management Committee Meetings to different council structures meetings; we would hugely improve our performance.

4. KEY INTERVENTIONS AND RECOMMENDATIONS

As indicated above this exercise is aimed at improving the performance of the Municipality, herewith are my recommended interventions to be implemented as a matter of urgency.

4.1. Financial Constraints

To address issues raised we have tabled the half yearly adjustment budget. Further to this a more cautious and prudent attitude towards financial management must be adopted.

To bring long-term relief to this challenge both council and management have to come to a consensus program aimed at stabilising the financial position of the Municipality. This calls for some compromises to be made and thorough consideration to be given when budgeting period comes.

More importantly however is for the Chief Financial Officer to view the Cash Flow projections more seriously and provide more diligent projections

in future. These must accompany the budget and the Chief Financial Officer must give adequate explanations for the assumptions made thereto.

4.2. Human Capacity Constrains

As a matter of urgency the HOD vacancies shall be filled before the beginning of the last quarter. The HR section of the Corporate Services shall provide the placement schedule with clear deadlines for each budgeted position.

4.3. Performance Management System

We need to put the PMS as a central management tool. This will be done through the following;

- *Inclusion of the PMS Scorecards and progress thereto in all MANCO meetings,*
- *Inclusion of the PMS Scorecards and progress thereto in all EXCO meetings as a standing item*
- *Inclusion of the Departmental PMS Scorecards and progress thereto in all respective Portfolio Committee meetings as a standing item*
- *Inclusion of the PMS Scorecards and progress thereto in all Council meetings as a standing item*

Simply put no formal meeting within the Municipality, at all levels, shall take place with no relevant PMS Scorecard in place.

If this were to be done, if performance would not improve, at least everyone in the Municipality would know so at the right time, when something can still be done to rescue the situation, rather than looking at it at the end of the financial year.

5. WORD OF APPRECIATION